



U.S. Department of Justice
United States Attorney
District of Kansas

NEWS RELEASE

Eric Melgren, U.S. Attorney

Contact: Kena Rice

(316) 269-6481

Headquarters

1200 Epic Center
301 N. Main
Wichita, Kansas 67202
(316)269-6481
FAX (316)269-6484

Topeka Office

444 Quincy
Topeka, Kansas 66683

Kansas City Office

500 State Avenue
Suite 360
Kansas City, Kansas
66101

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March 30, 2004

TOPEKA, KANSAS WOMAN PLEADS GUILTY IN \$2,000,000 CONSPIRACY TO DEFRAUD MEDICAID

TOPEKA, Kan. – United States Attorney Eric Melgren and Kansas Attorney General Phill Kline announced that **Molly Meier**, 33, Topeka, Kansas, entered a guilty plea on March 30, 2004, before U.S. District Judge Sam A. Crow to one count of **conspiracy to defraud Medicaid** and one count of **forfeiture of all proceeds resulting from the conspiracy**.

Melgren said that Meier admitted at her plea that from January 1998 through January 2003, Meier, while the Secretary of Toddler Town Special Purpose Child Care Center, Inc., a/k/a Community Therapeutic Center, Inc., L.L.C.; the Secretary of M&M Transportation, Inc., a commercial non-ambulance medical transportation company; and the President of Toddler Transport, Inc., a commercial non-ambulance medical transport company, knowingly engaged in a scheme to defraud Medicaid of over \$2,000,000. The scheme involved making false claims to the Medicaid non-ambulance medical transportation program and obstructing the investigation by asking employees to falsify documents and by submitting false documents to investigators in response to an official subpoena.

Medicaid allows payment for transportation services that are provided to a Medicaid beneficiary that are for a medical purpose. Day care, even special purpose day care, is not a medical service. Toddler Town Day Care, with Meier as the Secretary, was a partially and provisionally licensed special purpose child day care facility with buildings at 616 and 630 Western Avenue in Topeka, Kansas.

Meier submitted false claims to Medicaid for:

- non-ambulance medical transportation services that were not provided, that is, claims for transporting children who were not at Toddler Town Day Care on the day of the claimed services;

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- non-ambulance medical transportation services that were not for a medical purpose, such as transportation to and from Toddler Town Day Care, fast food restaurants, a swimming pool, movie theaters, a zoo, a park, a bowling alley, a museum, and a library.

Meier used M&M Transportation, Toddler Transport, Inc., and other entities to submit the false claims to Medicaid.

From January 2000 through February 2002, Meier employed a psychologist at Toddler Town Day Care to provide individual and group therapy to children enrolled at the day care and submitted false claims to Medicaid as though the children received psychological therapy every day, knowing that the psychologist did not see the children every day.

Meier faces a maximum of five years in federal prison, without parole, for conspiracy to defraud Medicaid. Sentencing is set for June 29, 2004 at 2:00 p.m.

Co-defendant **Cynthia Maze Moten**, 34, Topeka, Kansas, is charged with one count of conspiracy to defraud Medicaid; twenty-five counts of health care fraud; fifteen counts of money laundering; two counts of obstruction of a criminal investigation; and one count of forfeiture of the proceeds from the commission of these offenses. If convicted, Moten faces a maximum of five years in federal prison, without parole, for conspiracy and obstructing a health care fraud investigation and a maximum of ten years for health care fraud and money laundering. A jury trial is set for July 14, 2004, at 10:00 a.m. in U.S. District Court in Topeka, Kansas.

The case is the result of a three-year investigation by the Kansas Attorney General's Medicaid Fraud and Abuse Division and the U.S. Department of Health and Human Services, Office of Inspector General.

Melgren commended the excellent work of the Kansas Attorney General's Medicaid Fraud and Abuse Division and the U.S. Department of Health and Human Services, Office of Inspector General in this investigation and Assistant Attorney General and Special Assistant U.S. Attorney Loren Snell, Deputy Attorney General and Special Assistant U.S. Attorney Rex Beasley, and Assistant U.S. Attorney Tanya Treadway in this prosecution.